SENATE/HOUSE FILE ______

BY (PROPOSED DEPARTMENT OF COMMERCE/UTILITIES DIVISION BILL)

A BILL FOR

- 1 An Act relating to public utilities and other infrastructure,
- 2 including the confidentiality of certain information
- 3 relating to such infrastructure, the authority of utilities
- 4 to make temporary rate changes, and presiding officers at
- 5 public information meetings held for electric transmission
- 6 line franchise petitions.
- 7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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- 1 Section 1. Section 22.7, subsection 45, Code 2017, is 2 amended to read as follows:
- 3 45. The critical asset protection plan or any part of the
- 4 plan prepared pursuant to section 29C.8 and any information
- 5 held by the department of homeland security and emergency
- 6 management that was supplied to the department by a public or
- 7 private agency or organization and used in the development
- 8 of the critical asset protection plan to include, but not be
- 9 limited to, surveys, lists, maps, or photographs. However,
- 10 the director shall make the list of assets available for
- 11 examination by any person. A person wishing to examine the
- 12 list of assets shall make a written request to the director
- 13 on a form approved by the director. The list of assets may
- 14 be viewed at the department's offices during normal working
- 15 hours. The list of assets shall not be copied in any manner.
- 16 Communications and asset information not required by law, rule,
- 17 or procedure that are provided to the director by persons
- 18 outside of government and for which the director has signed a
- 19 nondisclosure agreement are exempt from public disclosures.
- 20 The department of homeland security and emergency management
- 21 may provide all or part of the critical asset plan to federal,
- 22 state, or local governmental agencies which have emergency
- 23 planning or response functions if the director is satisfied
- 24 that the need to know and intended use are reasonable. An
- 25 agency receiving critical asset protection plan information
- 26 from the department shall not redisseminate the information
- 27 without prior approval of the director.
- 28 Sec. 2. Section 22.7, Code 2017, is amended by adding the
- 29 following new subsection:
- 30 NEW SUBSECTION. 70. Infrastructure information and
- 31 records, including cyber security information, the disclosure
- 32 of which may expose or create vulnerability to critical
- 33 infrastructure systems, held by the utilities board of
- 34 the department of commerce or the department of homeland
- 35 security and emergency management for purposes relating to the

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- 1 safeguarding of telecommunications, electric, water, sanitary
- 2 sewage, storm water drainage, energy, hazardous liquid, natural
- 3 gas, or other critical infrastructure systems. For purposes of
- 4 this subsection, "cyber security information" includes but is
- 5 not limited to information relating to cyber security defenses,
- 6 threats, attacks, or general attempts to attack cyber system
- 7 operations.
- 8 Sec. 3. Section 476.6, subsection 9, paragraph a, Code 2017,
- 9 is amended by striking the paragraph.
- 10 Sec. 4. Section 476.6, subsection 9, paragraph b, Code 2017,
- 11 is amended to read as follows:
- 12 b. A public utility may choose to place in effect temporary
- 13 rates, charges, schedules, or regulations without board review
- 14 on or after ten days after following the filing date under this
- 15 section. If the utility chooses to place such rates, charges,
- 16 schedules, or regulations in effect without board review, the
- 17 utility shall file with the board a bond or other corporate
- 18 undertaking approved by the board conditioned upon the refund
- 19 in a manner prescribed by the board of amounts collected in
- 20 excess of the amounts which would have been collected under
- 21 rates, charges, schedules, or regulations finally approved
- 22 by the board. At the conclusion of the proceeding if the
- 23 board determines that the temporary rates, charges, schedules,
- 24 or regulations placed in effect under this paragraph were
- 25 not based on previously established regulatory principles,
- 26 the board shall consider ordering refunds based upon the
- 27 overpayments made by each individual customer class, rate zone,
- 28 or customer group. If the board has not rendered a final
- 29 decision with respect to suspended rates, charges, schedules,
- 30 or regulations upon the expiration of ten months after the
- 31 filing date, plus the length of any delay that necessarily
- 32 results either from the failure of the public utility to
- 33 exercise due diligence in connection with the proceedings or
- 34 from intervening judicial proceedings, plus the length of any
- 35 extension permitted by section 476.33, subsection 3, then such

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- 1 temporary rates, charges, schedules, or regulations placed into
- 2 effect on a temporary basis shall be deemed finally approved
- 3 by the board and the utility may place them into effect on a
- 4 permanent basis.
- 5 Sec. 5. Section 478.2, subsection 2, paragraph a, Code 2017,
- 6 is amended to read as follows:
- 7 a. A member of the board, the counsel of the board, or a
- 8 hearing examiner presiding officer designated by the board
- 9 shall serve as the presiding officer at each meeting, shall
- 10 present an agenda for such meeting which shall include a
- 11 summary of the legal rights of the affected landowners, and
- 12 shall distribute and review the statement of individual rights
- 13 required under section 6B.2A, subsection 1. A formal record of
- 14 the meeting shall not be required.
- 15 EXPLANATION
- The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.
- 18 This bill modifies several provisions relating to public
- 19 utility regulation and the confidentiality of information held
- 20 by the department of homeland security and emergency management
- 21 and the Iowa utilities board.
- 22 Code section 22.7 lists public records that must be kept
- 23 confidential from public disclosure, including critical asset
- 24 protection plan information held by the department. However,
- 25 Code section 22.7(45) allows the public to examine a list of
- 26 assets made available by the director of the department. The
- 27 bill deletes this provision.
- 28 The bill further amends Code section 22.7 by making
- 29 infrastructure information and records relating to the
- 30 safeguarding of critical infrastructure systems such as
- 31 telecommunications, electric, water, sanitary sewage, storm
- 32 water drainage, energy, hazardous liquid, and natural gas, held
- 33 by the department and the utilities board confidential from
- 34 public disclosure. This includes "cyber security information",
- 35 defined in the bill as including but not limited to information

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- 1 relating to cyber security defenses, threats, attacks, or
- 2 general attempts to attack cyber system operations.
- 3 Code section 476.6(9) authorizes utilities to collect higher
- 4 rates on a temporary basis while the utilities board conducts
- 5 a rate review proceeding. To do so, utilities have the
- 6 option of either first obtaining board review before temporary
- 7 rates are placed into effect, or implementing temporary rates
- 8 without board review within 10 days after filing for temporary
- 9 rates, subject to the board's authority to require refunds for
- 10 overpayment if the board later determines that the temporary
- 11 rates were not based on previously established regulatory
- 12 principles. The bill removes the option for utilities to first
- 13 request board review before implementing temporary rates.
- 14 Therefore, utilities seeking temporary rate changes may do
- 15 so only by implementing the rates, without the board's prior
- 16 approval, on or after 10 days following the filing date with
- 17 the board. If the board fails to make a final decision on
- 18 a temporary rate change within 10 months after filing, the
- 19 temporary rates are deemed approved by the board and may be
- 20 placed into effect on a permanent basis.
- 21 Code chapter 478 requires any person wanting to operate
- 22 and maintain electric transmission lines to file a petition
- 23 for a franchise from the utilities board. Under the process
- 24 described in Code section 478.2, a person must first hold a
- 25 public information meeting in each county where real property
- 26 or rights will be affected, at least 30 days prior to filing a
- 27 petition. Code section 478.2(2)(a) requires either a member of
- 28 the board, the counsel of the board, or a "hearing examiner"
- 29 designated by the board to serve as the presiding officer for
- 30 a public information meeting. The bill replaces the term
- 31 "hearing examiner" with "presiding officer". Therefore, either
- 32 a member of the board, the counsel of the board, or a presiding
- 33 officer designated by the board can serve as the presiding
- 34 officer at a public information meeting.